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Congress of the United States
House of Representatives
Washington, DC 20515-3011

September 9, 2015

Honorable Thomas E. Perez
Secretary
U.S. Department of Labor
200 Constitution Avenue NW
Washington, DC 20210-0001

Dear Secretary Perez:

I am writing regarding the Department of Labor's (DOL) proposed rule: "Definition of the Term 'Fiduciary'; Conflict of Interest Rule-Retirement Investment Advice."

I am very concerned that this rulemaking could put the livelihoods of many in the finance and insurance industry at risk. Specifically, I recently met with dozens of constituent groups who raised concerns about this rule and proposed the following actions to improve it:

- Clarify that the sale of proprietary products and receipt of differential compensation are consistent with the Impartial Conduct Standards required under the Best Interest Contract Exemption (BICE) and revised PTE-84-24;
- Remove BICE language "...without regard to the financial or other interest of the adviser, financial institution, any affiliate or other party," and insert language that ensures consistency with the existing ERISA duty of loyalty under Section 404;
- DOL should provide guidance and examples regarding compliant sales practices regarding the sale of proprietary products and receipt of differential compensation.

I would appreciate hearing if your department plans to address these concerns:

Sincerely,

Rodney P. Frelinghuysen
Member of Congress

RPF:td